

RESTORATION AGREEMENT
Director's Order to Demolish
2540 Cedar Avenue South

IT IS HEREBY STIPULATED AND AGREED by and between Metropolitan Capital Ventures, LLC. (hereafter "Owner") and Henry Reimer, Director of Inspections, in the Department of Regulatory Services, (hereafter "City") by his designee, Thomas M. Deegan, Manager of the Problem Properties Unit, as follows:

1. The Director's Order on February 3, 2009, pursuant to Chapter 249 of the Minneapolis Code of Ordinances issued to the owners and holders of encumbrances of record of the property located at **2540 Cedar Avenue South, Minneapolis, Minnesota**, having a property identification number 3502924140132 (hereafter "the property") is declared and deemed to be reasonable as that term is defined in Chapter 249 of the Minneapolis Code of Ordinances.
2. The City hereby voluntarily consents to desist and refrain from razing the residential structure or other legal regulatory actions located at the property until **March 30, 2010**, if all work is completed as outlined in this agreement. The city further agrees to dismiss all orders pursuant to this agreement if all work is completed by that date.
3. Owner hereby acknowledges and affirms that he holds title to the property subject to said order to demolish and is without legal recourse to prevent enforcement of the order by the City from the express terms of this agreement. Owner further agrees that until such time as repairs are completed or the property is razed, the owner will retain 100% ownership interest (both legal title and equitable interest) in the property and agrees not to convey or sell, hypothecate, or in any way transfer interest in the property without prior written consent of the City.
4. The owner agrees that, on or before **September 30, 2009**, he will put in escrow with the City of Minneapolis **\$10,000** performance bond, in cash, cash equivalent, or irrevocable letter of credit, to pay for the cost of demolition or completion of rehab, if such becomes necessary. Failure to place \$10,000 in escrow with the City by **September 30, 2009**, will cause this agreement to be void and the City shall start the process for demolition of the property.
5. Owner agrees to make all repairs, improvements, and alterations necessary to bring the property into compliance with all current City of Minneapolis Code requirements. If the property is condemned and requires a code compliance, the owner shall order the code compliance inspection before starting any repairs, improvements, or alterations. The code compliance deposit must be made before permits are pulled. The code compliance deposit due date may be different from the restoration agreement timelines. Should owner fail to post the code compliance deposit as required by **September 30, 2009**, fail to post the bond as per paragraph 4 of this agreement or to complete repairs identified in the code compliance on or before **March 30, 2010**, the City shall cause the property to be razed and removed and the site restored to a dust-free and erosion-free condition and the costs

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therefor shall be paid from the amount deposited in escrow pursuant to paragraph 4 of this agreement. Any costs above and beyond the escrowed fund may be charged in full or in part against the property, and if so charged, it is a lien upon such property and may be assessed and collected as a special tax.

Special provision: Owner agrees to construct new two-car garage on property.

6. The value of the repairs, improvements, and alterations necessary to bring the property into compliance with code requirements shall be determined by reference to the Means Repair and Remodeling Cost Data, Commercial/Residential, 2004 Edition Manual.
7. In the event the City determines that repairs have not been completed as required in paragraphs 5 and 6 of this agreement, the City will provide the Owner with written notice of its determination to raze the building by mail to the address provided by Owner to the Director of Inspections. Owner shall have ten (10) days from date of the written notice to remove any personal contents in this building that he desires to retain. Any items remaining in the building will be assumed to have no value and will become the property of the wrecking contractor designated by the City of Minneapolis.
8. Pursuant to Chapter 249, because **2540 Cedar Avenue South** is a condemned building, the City of Minneapolis, its employees, or agents may unilaterally enter the building for purposes of inspection upon 24-hour written, voice, or phone message communication.
9. In any instances requiring written notice, the notice may be served upon the Owner by certified mail delivered to his home address of 546 Rice Street, Saint Paul, MN 55103 or by posting it on the building.
10. Owner agrees to keep the property unoccupied until such time as any and all permits issued by the Department of Regulatory Services for the City are signed off as completed.
11. Owner agrees to obtain all necessary construction permits as required by the Minneapolis Code of Ordinances before the commencement of any repairs to the property, including, but not limited to, building, repair, plumbing, electrical, and mechanical permits. All permit fees will be determined by the Minneapolis Code of Ordinances Director's fee schedule. The building permit fee will be based on the scope of work submitted by owner, but no less than that cost to be agreed upon by the Manager of the Problem Property Unit using the current MEANS guide. If condemned, scope will be based on code compliance orders along with any additional work the owner may wish to do.
12. Owner hereby acknowledges and affirms that he will follow all local, state and federal requirements related to the inspection for and handling of asbestos-containing materials at or in the property.
13. Owner hereby agrees that all painted surfaces will be intact at the completion of the restoration work. Owner agrees to follow all local, state and federal requirements in making the property "Lead Safe" as defined by HUD.
14. Owner understands and agrees that the City will incur substantial costs if he does not follow its terms and conditions. Owner understands and agrees that the City shall be entitled to the following fees as liquidated damages from the Owner if its terms are not

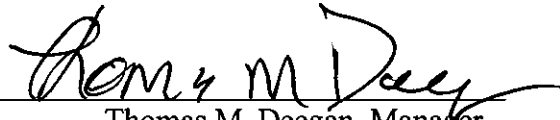
fully and completely complied with. Owner further understands and agrees that he shall be held personally liable for any or all of the liquidated damages due and owing and that the City may also take monies from any of the escrow accounts established under this agreement to pay liquidated damages. Additionally, any unpaid, liquidated damages shall become a lien against the property until paid in full.

15. Fees for the failure to complete all repairs, improvements or alterations by March 30, 2009 shall be \$300.00 for each and every day thereafter.

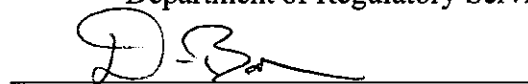
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16. Fees for commencing work without the required permit(s) shall be: double the standard fees applied by the City of Minneapolis, to be determined by the un-permitted work inspector, in addition the City retains the right to prosecute any and all persons regarding said work.
17. Owner understands and agrees that every provision of this agreement is intended to be severable. If any term or provision of this agreement is void, illegal, invalid or unenforceable for any reason whatsoever, that term or provision will be enforced to the maximum extent permissible so as to affect the intent of the Parties, and such voidability, illegality, or unenforceability will not affect the validity or legality of the remainder of this agreement. If necessary to effect the intent of the parties, the parties will negotiate in good faith to amend this agreement to replace the unenforceable language with new language that reflects such intent as closely as possible.
18. The observance of any term of this agreement may be waived (either generally or in particular instance and either retroactively or prospectively) by the party entitled to enforce the term, but any such waiver is effective only if in a writing signed by the party against which such waiver is to be asserted. Except as otherwise provided in this agreement, no failure or delay of any party exercising any right under this agreement will operate as a waiver, nor will any single or partial exercise of any such right, or any abandonment or discontinuance of steps to enforce such right, preclude any other or further exercise thereof or the exercise of any other right.
19. By signing this restoration agreement, you understand that you have waived your right to appeal and that you will abide by the terms of this agreement.

Dated: 7-15-09


Thomas M. Deegan, Manager,
Problem Property Unit
Department of Regulatory Services

Dated: 7-15-09


Dan Boler
Metropolitan Capital Ventures, LLC
546 Rice Street
St. Paul, MN 55103
651-288-4890

**CITY OF MINNEAPOLIS
PROBLEM PROPERTIES UNIT**

**RESTORATION AGREEMENT - DEPOSIT OF \$10,000 TO ESCROW
ACCOUNT**

TO: Mary Ubl, Allen Hanson, Minneapolis Regulatory Services
Room 330 City Hall

FROM: Kellie Jones, Problem Properties Unit
Minneapolis Regulatory Services

DATE: October 8, 2009

PROPERTY ADDRESS: 2540 Cedar Avenue South

OWNER NAME: Metropolitan Capital Ventures, LLC
546 Rice Street
St. Paul, MN 55103

AMOUNT OF DEPOSIT: \$ 10,000

ACCOUNT AND FUNDING STRING: Fund: 00100
Dept.: 8351100
Balance Sheet Acct. 022257

DATE OF DEPOSIT: October 8, 2009



**CITY OF MINNEAPOLIS
REGULATORY SERVICES
INSPECTIONS DIVISION
250 SO 4TH STREET, RM 300
MINNEAPOLIS, MN 55415**

DATE: 9/30/09

RECEIVED OF:

NAME: Dan Boler

ADDRESS: 546 Rice St, Ste 200
St Paul, MN 55103

PHONE NO.: _____

FOR: 2540 Cedar Ave
Restoration Agreement

AMOUNT RECEIVED: \$ 10,000 BY: Am

SEP 30 2009

NOT VALID UNLESS STAMPED PAID BY INSPECTIONS DIVISION

GLOBE GENERAL CONTRACTING LLC

546 RICE ST STE 200
SAINT PAUL, MINNESOTA 55103

PAY
TO THE
ORDER OF

MP'S Finance

Ten Thousand no 00/100

DOLLARS

\$ 10,000

MEMO

2540 Cedar

[Signature]

AUTHORIZED SIGNATURE

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Security features. Details on back.

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9/29/09